



P.O. Box 250  
EUREKA, UTAH 84628  
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T.B. HANNIFIN, JR.  
General Manager

File ACT/049/009  
**RECEIVED**  
DEC 10 1986  
DIVISION OF  
OIL, GAS & MINING

December 8, 1986

Susan C. Linner  
Reclamation Biologist/Permit Supervisor  
Utah Division of Oil, Gas, and Mining  
355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203

Dear Ms. Linner:

I have enclosed a copy of the letter I sent to Steve McNeil regarding the status and review of the tailings pond construction permit for Sunshine Mining Company.

During our recent telephone conversation, you indicated your department had approved all the data needed to construct these ponds. The only requirement your department currently needs, according to our conversation, is a bond or rider to cover the reclamation costs for the new tailings pond area. I have asked Woods Petroleum, the part of S.M.C. which handles all of the corporate bonding, to complete the necessary work for this requirement. To date, I have not received a reply from Woods Petroleum and do not know the current status of the bond or rider.

I want to thank you and your Department for the help and consideration on getting all the needed requirements approved to date; except for the bond or rider. This is Sunshine's problem and I will continue bugging Woods Petroleum regarding this subject.

If you have any additional questions regarding these tailings ponds, please advise.

Very truly yours,

Glenn M. Mellor

GMM/lr1





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T.B. HANNIFIN, JR.  
General Manager

December 2, 1986

Steve McNeil, P.H.E.  
288 North 1460 West  
P.O. Box 16690  
Salt Lake City, Utah 84116-0690

Dear Mr. McNeil:

I am writing regarding the current status of your review for our tailing ponds construction permit.

Sunshine Mining Company submitted the additional information your Department had requested in your Division's letter to Sunshine Mining Company dated February 11, 1986. You stated this information was required before your Department could proceed with the final permit review. This information was as follows:

- 1) Clay Permeability Test Results:  
submitted September 16, 1986
- 2) Results of "Acid Base Potential" Test:  
submitted November 6, 1986

While Sunshine does not currently require a tailings pond system we would like to receive an approved construction permit for the tailings ponds. This would increase the flexibility and options our operation may have to re-open or to possibly run at a reduced scale.

Mr. James Leatherwood, D.O.G.M., indicated the current A.B.P. analysis has demonstrated the Trixie tailings do not require the addition of lime for neutralization of potential acids. Therefore, Sunshine Mining Company currently has no plans for introducing lime into the tailings.

Sunshine also agreed, in a letter dated September 16, 1986 to your required compaction testing methods.

If you have any questions or require any additional information regarding the tailings ponds construction permit please advise.

Very truly yours,

*Glenn M. Mellor*  
Glenn M. Mellor

GMM/lrl

cc: T.B. Hannifin  
Dept. Oil, Gas and Mining